

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 3191
Sacramento, CA

Minutes of Meeting
November 2, 2006

COMMISSIONERS PRESENT

Cathie Bennett Warner, Chair
Michele Burton, M.P.H.
Diane Griffiths
Teresa P. Hughes
Vicki Marti
Nancy McFadden

CMAC STAFF PRESENT

Keith Berger, Executive Director
Enid Barnes
Tacia Carroll
Paul Cerles
Denise DeTrano
Holland Golec
Katie Knudson
Marilyn Nishikawa
Michael Tagupa
Mervin Tamai
Karen Thalhammer
Steve Soto
Becky Swol

EX-OFFICIO MEMBERS PRESENT

Stan Rosenstein, Department of Health Services
Thomas Williams, Department of Finance

I. Call to Order

The November 2, 2006 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Cathie Bennett Warner. A quorum was present.

II. Approval of Minutes

The October 19, 2006 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

Keith Berger, Executive Director, began his report by welcoming Stan Rosenstein, Deputy Director, Medical Care Services, who was representing the California Department of Health Services (CDHS) during the temporary absence of CMAC's regular ex-officio representative from CDHS, Assistant Deputy Director Toby Douglas. Mr. Berger indicated it was a pleasure to see Mr. Rosenstein at a CMAC meeting again and thanked him for taking the time to attend.

Mr. Berger was pleased to report that earlier that week, the federal government told Los Angeles County health officials that they would not discontinue certification of federal funding for Martin Luther King Jr./Drew Medical Center at the end of this month. While it could be pulled at any time, as long as the hospital continues to improve the quality of care as it moves forward with the transition plan approved by the Los Angeles County Board of Supervisors last month, Centers for Medicare & Medicaid Services (CMS) said that the Medicare funding will continue until at least March 31 of next year.

At this time, Mr. Berger asked Mr. Rosenstein to share his perspective on the issues surrounding Martin Luther King Jr./Drew Medical Center.

Mr. Rosenstein agreed that this was good news for the facility. He said CDHS, CMS as well as Los Angeles County had recognized the importance of Martin Luther King Jr./Drew Medical Center to its community. He said with help from the Governor, the state and federal governments were able to continue certification without a break in funding. Mr. Rosenstein expressed that CDHS will continue to work with Los Angeles County to ensure funding.

Continuing his report, Mr. Berger said that in the last month or so, Toby Douglas had shared with CMAC the draft of the Request for Application (RFA) for the Healthcare Coverage Initiative that was sent to stakeholders for review and comment. The successful implementation of this initiative is crucial to bringing in over \$500 million during years 3-5 of the federal SB 1115 demonstration waiver that was approved last year. He asked Mr. Rosenstein if he had any updates regarding this issue.

Mr. Rosenstein said that this RFA process will enable CDHS to allocate \$180 million in federal funding each year for the last three years of California's section 1115 Medi-Cal Hospital/ Uninsured Care Demonstration, but is contingent on that money being spent to provide healthcare coverage to individuals as well as improving healthcare. Mr. Rosenstein says this initiative has great support and he expects a large number of proposals from cities and counties for the improvement of quality of care.

Mr. Berger concluded his report by informing the Commissioners that there were 11 new amendments and contracts before them for review and action in today's closed session. He also said there were key negotiation updates and several important discussions regarding current hospital and managed care negotiation strategies.

IV. Department of Health Services (CDHS) Report

Stan Rosenstein, Deputy Director, Medical Care Services, CDHS, updated CMAC on the hospital financing waiver. He said that CDHS continues to work with public hospitals to try and obtain approval from the CMS for a State plan Amendment (SPA) that will define how the State and the hospitals can claim costs associated with hospital based physician services, through the certified public expenditure methodology established by the waiver.

V. New Business/Public Comments/Adjournment

There being no further new business and no comments from the public, Chair Cathie Bennett Warner recessed the open session. Chair Bennett Warner opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair Bennett Warner announced that the Commission had taken action on hospital and managed care contracts and amendments in closed session. The open session was then adjourned.